IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

CONNECTIV SERVICES, INC.	
Plaintiff)	
v.)	Civil Action No.: 1:08-CV-00284-UNA
FIDELITY & DEPOSIT COMPANY OF) MARYLAND)	
Defendant)	

DEFENDANT, FIDELITY & DEPOSIT COMPANY OF MARYLAND'S <u>ANSWER TO PLAINTIFF'S COMPLAINT</u>

Defendant, Fidelity & Deposit Company of Maryland ("F&D"), by Daniel A. Griffith and Whiteford, Taylor & Preston, LLC, hereby files its Answer to the Complaint of Connectiv Services, Inc. ("Connectiv") and states as follows:

- 1. F&D has insufficient knowledge to either admit or deny the allegations set forth in paragraph 1 of the Complaint and, on the ground, denies the same.
 - 2. F&D admits the allegations set forth in paragraph 2 of the Complaint.
 - 3. F&D admits the allegations set forth in paragraph 3 of the Complaint.
 - 4. F&D denies the allegations set forth in paragraph 4 of the Complaint.
 - 5. F&D admits the allegations set forth in paragraph 5 of the Complaint.
- 6. F&D admits that Connectiv entered into a subcontract with Venables in connection with the Project; however, F&D has insufficient knowledge to either admit or deny the date of such subcontract and, on that ground, denies the same.
 - 7. F&D denies the allegations set forth in paragraph 7 of the Complaint.

- 8. F&D admits that Connectiv made a bond claim and denies the remaining allegations set forth in paragraph 8 of the Complaint.
- 9. F&D admits the allegations set forth in the first sentence of paragraph 9 of the Complaint. F&D admits that there is a document that purports to be a settlement agreement attached to the Complaint as Exhibit A.
- 10. Paragraph 10 of the Complaint sets forth legal conclusions to which no response is required of F&D. To the extent a response is required, F&D denies the allegations set forth in paragraph 10 of the Complaint. By way of further answer, F&D states that the settlement agreement speaks for itself and is the only evidence of its terms.
- 11. The allegations set forth in paragraph 11 of the Complaint constitute legal conclusions to which no response is required of F&D. To the extent that a response is required, F&D denies the allegations set forth in paragraph 11 of the Complaint.
- 12. F&D admits that Connectiv conducted mediation with the owner and offered a credit to the owner; however, F&D denies that paragraph 12 of the Complaint accurately sets for the complete terms of the settlement that Connectiv negotiated with the owner and F&D denies the remaining allegations set forth in paragraph 12.
- 13. F&D admits the allegations set forth in the first sentence of paragraph 13 of the Complaint; however, F&D denies liability for the amounts demanded by Connectiv. F&D admits that a document that purports to be a May 23, 2007 letter authored by Connectiv is attached to the Complaint as Exhibit B.
 - 14. F&D denies the allegations set forth in paragraph 14.
- 15. F&D has insufficient knowledge to either admit or deny the allegations set forth in the first sentence of paragraph 15 of the Complaint and, on that ground, denies the same.

F&D admits that a document that purports to be photocopy of a negotiable instrument is attached to the Complaint as Exhibit C.

- 16. F&D admits the allegations set forth in the first sentence of paragraph 16 of the Complaint. F&D admits that a document that purports to be a General Release is attached to the Complaint as Exhibit D.
 - 17. F&D denies the allegations set forth in paragraph 17 of the Complaint.
- 18. F&D admits that it has refused to tender the payment demanded by Connectiv; however, F&D denies liability for the demanded payment and denies the remaining allegations set forth in paragraph 18.
- 19. The allegations set forth in paragraph 19 of the Complaint constitute legal conclusions to which no response is required of F&D. To the extent that a response is required, F&D denies the allegations set forth in paragraph 19 of the Complaint.

Affirmative Defenses

- 1. Connectiv's claims are barred in whole or in part by release.
- 2. Connectiv's claims are barred in whole or in part by waiver.
- 3. Connectiv's claims are barred in whole or in part by laches.
- 4. Connectiv's claims are barred in whole or in part by the applicable statutes of limitations.
 - 5. Connectiv's claims are barred in whole or in part by its prior breaches of contract.

WHEREFORE, Fidelity & Deposit Company of Maryland respectfully requests that the Court dismiss Connectiv Services, Inc.'s Complaint with prejudice and award Fidelity & Deposit Company of Maryland all costs and expenses, including attorney's fees, incurred by Fidelity & Deposit Company of Maryland in defending against the instant action.

WHITEFORD TAYLOR PRESTON, LLC

/s/ Daniel A. Griffith

Daniel A. Griffith, Esquire (No. 4209) 1220 Market Street, Suite 608 Wilmington, DE 19801 (302) 482-8754

Attorney for Defendant, Fidelity & Deposit Company of Maryland

Of Counsel: Adam Cizek WHITEFORD, TAYLOR & PRESTON, LLP Seven Saint Paul Street Baltimore, Maryland 21202-1636 Telephone: (410) 347-8717

(410) 223-3497

Facsimile:

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 20th day of May, 2008, a copy of Defendant, Fidelity & Deposit Company of Maryland's Answer to Plaintiff's Complaint was sent via the Court's electronic notice system and/or via first class mail, postage prepaid, to:

> **Edward Seglias** COHEN, SEGLIAS, PALLAS, GREENHALL & FURMAN, P.C. 1007 Orange Street, 11th Floor Wilmington, DE 19801

Attorney for Plaintiff

/s/ Daniel A. Griffith Daniel A. Griffith, Esquire

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